METROPOLITAN GOVERNMENT OF

ELE AND DAVIDSON COUNTY

Metropolitan Historic Zoning Commission Sunnyside in Sevier Park 3000 Granny White Pike Nashville, Tennessee 37204 Telephone: (615) 862-7970 Fax: (615) 862-7974

STAFF RECOMMENDATION 1614 Benjamin Street November 14, 2012

Application: Demolition of contributing building

District: Eastwood Neighborhood Conservation Zoning Overlay

Council District: 06

Map and Parcel Number: 08306003300

Applicant: Daryl Watson

Project Lead: Robin Zeigler, robin.zeigler@nashville.gov

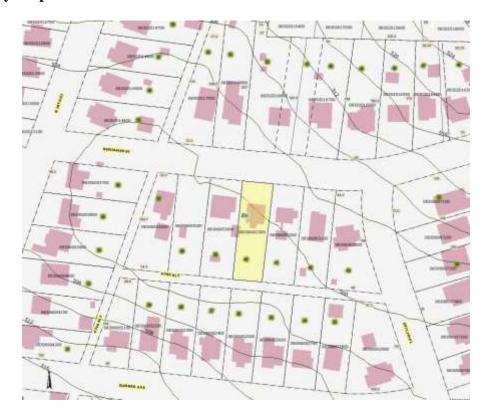
Description of Project: Applicants propose to demolish a contributing building based on economic hardship.

Recommendation Summary: Staff recommends disapproval of the request for demolition as the building meets section II.B.2.a for inappropriate demolition and the project does not meet the requirements for economic hardship since the repair costs do not exceed the value.

Attachments

A: Photographs**B:** Site Plan**C:** Elevations

Vicinity Map:



Aerial Map:



Applicable Design Guidelines:

III.B.1 Demolition is Not Appropriate

- a. if a building, or major portion of a building, is of such architectural or historical interest and value that its removal would be detrimental to the public interest; or
- b. if a building, or major portion of a building, is of such old or unusual or uncommon design and materials that it could not be reproduced or be reproduced without great difficulty and expense.

III.B.2 Demolition is Appropriate

- a. if a building, or major portion of a building, has irretrievably lost its architectural and historical integrity and significance and its removal will result in a more historically appropriate visual effect on the district:
- b. if a building, or major portion of a building, does not contribute to the historical and architectural character and significance of the district and its removal will result in a more historically appropriate visual effect on the district; or
- c. if the denial of the demolition will result in an economic hardship on the applicant as determined by the MHZC in accordance with section 91.65 of the historic zoning ordinance.

Background:

1614 Benjamin is a contributing building to the Eastwood Neighborhood Conservation Zoning Overlay. It is a one-story bungalow with a cut-away porch and two primary entrances. The dormer is not original and there is one small shed roof rear addition. The dwelling was constructed c.1925 and the rear accessory structure was constructed in 2006.



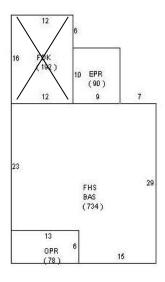
Analysis and Findings:

The applicant proposes to demolish the house due to needed foundation repairs. Demolition of the primary building is inappropriate because the building is a historic dwelling that retains the majority of its original historic features and form. The house meets section III.B.1 for inappropriate demolition. Therefore the applicant wishes to make the case for economic hardship.

The application states that "a house with up to 2,400 square feet was determined as feasible by a member of the MHZC." Staff does not know if this is referencing a staff member or a commission member but believes there may be a misunderstanding as square footage is not a determination as to whether or not a proposed design is appropriate for a lot or the district. New construction is typically not reviewed when there is an existing historic building. Staff has not received any drawings or any other information for new construction at this site.

The existing portion of the house with a previous rear portion already removed and not including the front porch or rear deck is eight hundred and twenty four square feet (824 sq. ft.), according to the property assessor's footprint. Applicant estimates the square footage at 800 square feet but did not submit a floor or site plan to support this number. The upper floor has been improved but due to the low pitch of the roof and the steep staircase that lacks adequate headroom at the top, it is not considered usable space and not included in either the applicant's or the staff's square footage calculation.

The applicant proposes that the value of the property in its current condition is \$55,000 and in good condition would be \$80,000, based on a Comparative Market Analysis provided by Pete Prosser with Zeitlin & Co. Realtors. The comparative



homes range in square footage from 912 to 1137 and in age from 1928 to 1987. Four of the provided properties have a similar square footage but two of those were constructed in the 1980s. 412 Hart Avenue is in not located in the neighborhood and is situated west of Gallatin Pike. Therefore the only potentially relevant property is 405 Chapel Avenue, constructed in 1948.

Staff reviewed homes sales for properties located in the immediate area, which sold this year and are more relevant to the Benjamin property in terms of square footage and age. The price per square footage, according to the Davidson County Property Assessor's website was between \$148.15 and 216.67.

Address	Date of construction	Square footage	Date of Sale	Price	Price per square footage
1002 N 16 th	1935	999	6/29/2012	148,000	148.15
1618 Benjamin	1935	848	6/21/2012	125000	147.41
901 N 16 th St	1930	924	11/2/2012	183,500	198.59
209 Fall St	1923	900	6/28/2012	195000	216.67

Based on these figures, staff finds that small homes in the area are valued at between \$150-190 per square foot, which places a potential value on the property of between \$123,600 and \$156,560. This value is supported by an estimated valuation of homes from www.housevalues.com, which provides a value of between \$104,720 and \$183,540 in the 37206 zip code area. The applicant states that the home in its current condition is approximately \$55,000. The most recent sale was in May of this year for \$90,000.

The applicant's primary concern is with the foundation that they estimate to cost \$57,780 to replace. Recent requests for demolition included foundation repair estimates of between \$20,000 and \$40,000 for buildings in far worse condition. Staff requested an estimate from an independent contractor who specializes in foundation repairs. The estimate provided was \$17,000-\$21,000 and included associated interior floor repairs.

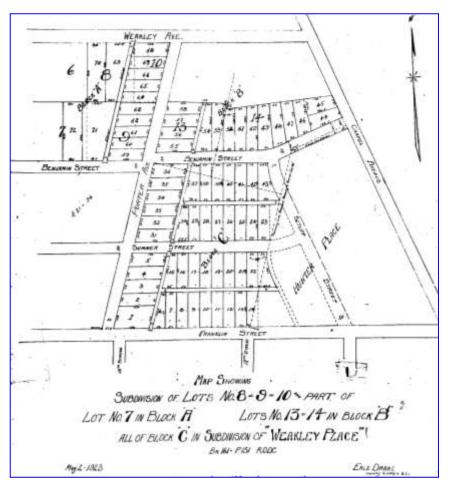
Additional concerns include removing the staircase, adding closets, replacing the bathroom, plumbing, electricity and hvac which are estimated at \$76 as square foot, or \$62,624. Staff disagrees that all of these items are relevant when considering economic hardship. The purpose of the economic hardship process is to prevent a governmental taking by imposing so many restrictions that the applicant no longer has a reasonable use for their property. Therefore costs to improve the building which are not necessary to make the building habitable should not be considered. Legal cases have shown that property owners do not have a right to the "highest and best use" of a property but instead have the right of a "reasonable use." For instance, it may be the desire of the applicant to install a new bathroom but not necessary to have a reasonable use of the property. In this case, the only interior condition observed by staff that was a hazard was the flooring yet the applicant proposes to gut the entire house and install new floors, ceilings, walls and cabinets. It may be the desire of the applicant to remove the existing staircase but not necessary to have a reasonable use of the property. The roof framing is mentioned in the engineer report but there is no indication that a full roof replacement is required. The estimate includes "removal of any interior framing of the house to allow it to be redesigned as to be compatible with the lifestyle of the present." Again, reconfiguration of the interior space is not necessary to have a reasonable use of this property. Another example is that the estimate mentions that current cabinetry is "inadequate to accommodate the homeowner." Only those items necessary to making the building habitable should be considered when making a determination of economic hardship. Determination of economic hardship is based on bringing the building up to codes as necessitated by the amount of work conducted. It does not include improvements or reconstructing every portion of a building to meet modern code requirements.

Nevertheless, even if the applicant's number of \$76 a square foot is accepted, staff contends that the cost of rehabilitation does not outweigh the value.

Taking into account the applicant's estimate that the property's current value is \$55,000, the independent contractor's foundation estimate of between \$17,000 and \$21,000, and the applicant's \$76 per square foot estimate for additional repairs, rehabilitation will cost between \$134,624 and \$138,624, which is well within the value of the property which is estimated at between \$123,600 and \$156,560.

The applicant purchased the property for \$90,000 earlier this year without inspecting the building but states that its current value is \$55,000. Economic hardship should not be based on poor business decisions but instead on the value of the property vs. rehabilitation costs.

Staff recommends disapproval of the request for demolition as the building meets section II.B.2.a for inappropriate demolition and the project does not meet the requirements for economic hardship since the repair costs do not exceed the value.



The area was subdivided in 1923. 1614 Benjamin is lot #40.





